GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1782
ANSWERED ON:08.03.2001
PPA WITH DABHOL POWER COMPANY
AJAY CHAKRABORTY

Will the Minister of POWER be pleased to state:

(a) whether the Government of Maharashtra has asked the Union Government topurchase power from the Dabhol Power Company (DPC) and channel it on to the NTPC Grid; and

(b) if so, the details and reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) : The Government of Maharashtra (GOM) has requested the Central Government todake over the entire Dabhol project of M/s Dabhol Power Company (DPC) either directlyor through its public sector undertakings so that the power generated by the DPC is distributed to different States in the country including Maharashtra State, thereby meetingthe need of those States which are facing shortage of power.

(b) : The Government of India has advised the Chief Secretary of Maharashtra toconvene a meeting with the officials of DPC to resolve the issue. GOM, vide theirresolution dated 9.2.2001, have constituted an Energy Review Committeeunder the Chairmanship of Dr. Madhav Godbole, Ex-Home Secretary, Government of India (GOI). The terms of reference of the Committee are as follows :-

(i) To review the position of overall demand and supply of electric power in the State, with special reference to the supply of power by projects of independent power producers and purchase thereof by the MSEB for which Power PurchaseAgreements (PPA) have either been signed or are proposed.

(ii) To examine the cost of power supplied by the DPC and the distribution of powerlosses and its implications on the finances/tariff of MSEB.

(iii) To review and reconsider the provisions of the PPA signed with the DPC afterholding discussions with the said Company, the MSEB and related authorities and to suggest appropriate measures to facilitate purchase of the power produced by the DPC by other agencies/parties (including Government of India or their agencies).

(iv) To suggest the broad future course of action for reforms in the energy sector in the State.

(v) Any other matter which the State Government may consider necessary to refer to the Committee in the above-mentioned context.
The report of the Committee will be submitted to the Government of Maharashtra. The question of taking any action by the Government of India will arise only after receipt of proposals from the GOM in this regard.